

# Wisconsin Economic Outlook

## Summer 2013

### AT A GLANCE

- The economy continues to grow at a moderate pace.
- Job growth will continue in 2013, adding 31,000 jobs over the course of the year.
- The forecast calls for an unemployment rate of 6.9% in 2013 and 6.5% in 2014.
- The housing sector is showing signs of a recovery at the state and national levels.
- Wisconsin personal income will grow 1.9% in 2013 with stronger growth of 4.6% in 2014.

### OVERVIEW

The Wisconsin economy continues to grow at a moderate pace. The forecast calls for growth in terms of jobs and income for 2013 with the economy gaining steam in 2014.

Wisconsin personal income grew 2.7% in 2012 and will increase 1.9% in 2013. Wisconsin personal income growth will then accelerate to 4.6% in 2014 and 4.4% in 2015 and 2016.

Employment in Wisconsin is expected to show positive growth throughout the forecast period, rising 1.1% in 2013, 1.4% in 2014, 1.9% in 2015, and 1.8% in 2016.

The U.S. forecast from IHS Global Insight expects weak growth in the national economy. The housing sector is recovering, but it is currently a much smaller portion of the economy than it was six years ago. Meanwhile, the federal sequester hinders the overall economy. Real GDP will increase 1.8% nationally in 2013 and accelerate to 2.8% growth in 2014.

Many factors are at play to keep growth subdued: the federal sequester, weakness in the global economy, weaker exports, persistent unemployment, and tight credit. Employment related to housing construction will accelerate, but employment growth in other housing-related sectors will lag.

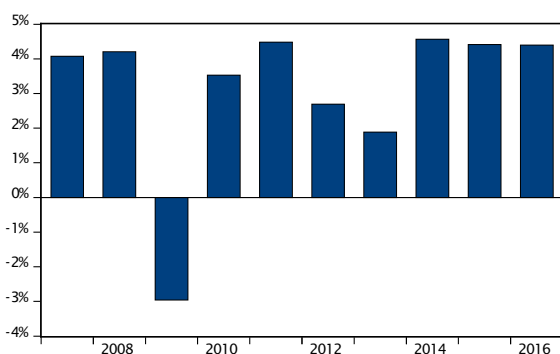
### EMPLOYMENT

Wisconsin jobs started recovering in the second quarter of 2010. Employment continued to rise in 2011 and 2012 with increases of 1.1% and 1.0%. In 2013, Wisconsin employment will increase at a modest pace.

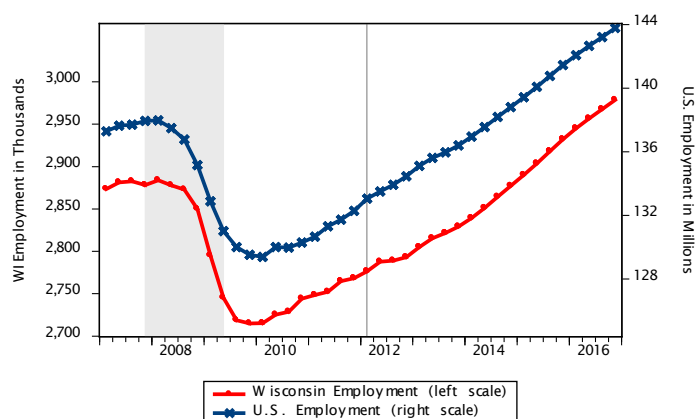
### Employment by Sector

The largest employment sector in Wisconsin is **trade, transportation, and utilities**, at 18.4% of total employment. This sector rose 0.5% in 2011 and 0.2% in 2012 after declining for three straight years. Even before the recession began in late 2007 this sector was not seeing much growth,

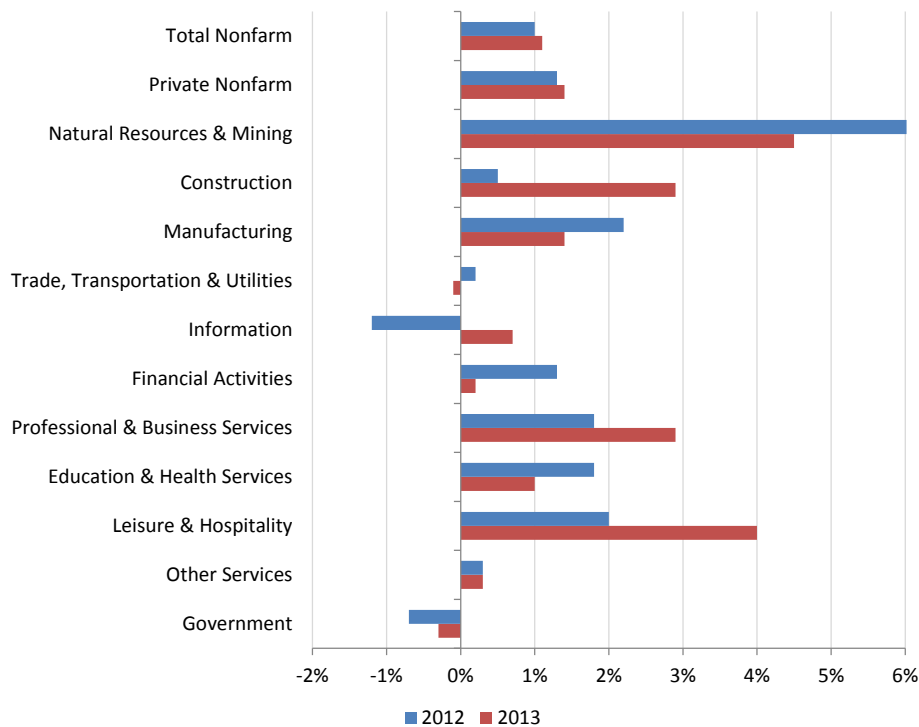
**Wisconsin Personal Income Growth Will Accelerate in 2014**



**U.S. and Wisconsin Employment Will Surpass Their Pre-recession Peak Before the End of the Forecast Period**



### Employment Growth by Sector 2012 Actual and 2013 Forecast



**health services**, at 15.0% of total employment. This is the only sector that did not have a decline in employment during the recession. Employment in this sector grew 0.8% in 2011 and 1.8% in 2012. In the forecast, employment in education and health services will continue to rise, growing 1.0% in 2013, 1.4% in 2014 and 2015, and 2.2% in 2016.

The **professional and business services sector** is Wisconsin's fourth largest employment sector at 10.4% of total employment. In 2009, employment declined 8.2% in this sector, but then grew quickly in 2010 and 2011. Employment recovered its previous peak in mid-2011 and grew 1.8% in 2012. This sector is expected to grow throughout the forecast period, at 2.9% growth in 2013 and 3.4% in 2014.

The next largest employment sector in Wisconsin is **leisure and hospitality**. This sector is 9.2% of total employment. Leisure and hospitality increased 0.4% in 2011 and then accelerated to a 2.0% increase in 2012. The forecast calls for 4.0% growth in 2013 followed by 1.1% growth in 2014, 0.9% in 2015, and 0.5% in 2016.

The **financial activities** sector is 5.8% of Wisconsin total employment. This sector saw employment increases

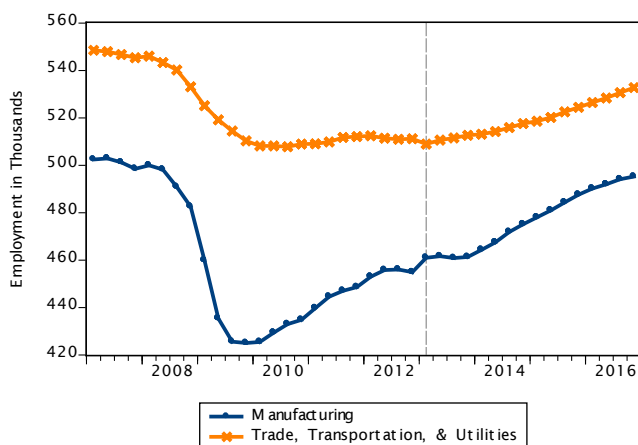
averaging 0.4% growth annually between 2003 and 2007. Trade, transportation, and utilities should see no change to employment in 2013 before increasing 0.8% in 2014, 1.2% in 2015, and 1.5% in 2016.

Manufacturing has grown moderately well the past two years, up 3.3% in 2011 and 2.2% in 2012. Growth in manufacturing employment will continue throughout the forecast, with increases averaging 2.0% per year over the next four years.

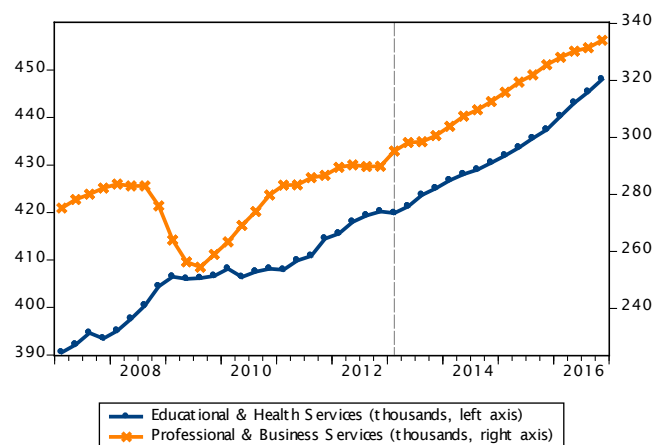
**Manufacturing** is the second largest employment sector in Wisconsin, at 16.3% of total employment. Manu-

The third largest employment sector in Wisconsin is **education and**

### Wisconsin's Two Largest Employment Sectors Will See Employment Gains Through the Forecast Period, but Will Not Recover Their Pre-recession Peak



### WI Employment in Its Third and Fourth Largest Sectors Will See Continued Growth



of 1.1% in 2011 and 1.3% in 2012. In the forecast, employment in financial activities will see little growth, averaging 0.3% over the four year forecast period.

The **other services** sector is 4.9% of Wisconsin employment and includes car repair, hair salons, and laundry services. This sector saw nearly flat growth of 0.2% in 2011 and 0.3% in 2012. Employment growth in other services will continue to be modest in 2013, increasing 0.3%, then growing 1.0% in 2014 and 0.4% in both 2015 and 2016.

**Construction** employment in Wisconsin is 3.3% of total employment. This sector has seen employment declines since 2006 and by 2012 was 32.8% below its employment peak. Growth in construction employment will accelerate over the next three years, with growth of 2.9% in 2013, 4.5% in 2014, and 8.2% in 2015. Growth will then slightly slow to an increase of 6.6% in 2016.

The **information sector**, which includes publishing, telecommunications, and broadcasting, is 1.7% of Wisconsin employment. Employment in this sector rose 0.2% in 2011 and fell 1.2% in 2012. The forecast expects information employment to rise 0.7% in 2013, 0.4% in 2014, 1.8% in 2015 and 1.6% in 2016.

The **natural resources and mining sector** accounts for 0.1% of total employment in Wisconsin. Employment in this sector rose 14.7% in 2012 and should increase 5.3% per year for the duration of the forecast period.

**Government** employment has fallen for four straight years. Currently, employment in the government sector is 14.8% of total state employment. More than two-thirds of this is in local government. The outlook calls for another year of decline, at 0.3%, followed by three years of growth of 0.5% per year.

## UNEMPLOYMENT

The unemployment rate in Wisconsin was 7.1% in April 2013, lower than the national unemployment rate of 7.5%. Since peaking at 9.2% in mid-2009, the unemployment rate steadily declined, averaging 6.9% in 2012. The decline of the unemployment rate was a result of the moderate job gains seen in the current recovery and a decline in labor force participation between 2009 and 2011.

The forecast calls for an unemployment rate of 6.9% in 2013 and 6.4% in 2014. By the end of the forecast period, the Wisconsin unemployment rate will be 5.2%, almost a full percentage point lower than the national unemployment rate of 6.1%.

## HOUSING

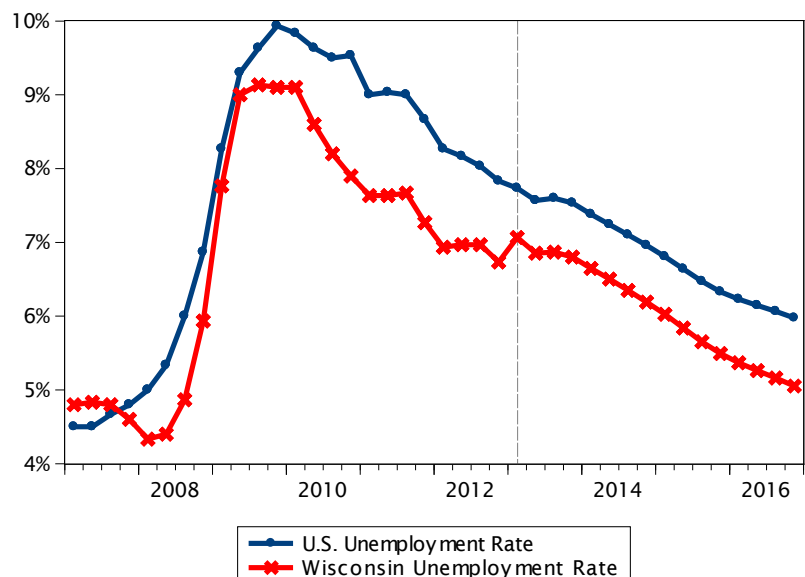
The housing sector is showing signs of a recovery at the state and national levels. IHS Global Insight is forecasting double-digit growth rates for housing starts between 2013 and 2015. Their forecast also calls for a moderate recovery of house prices over the forecast period, and a con-

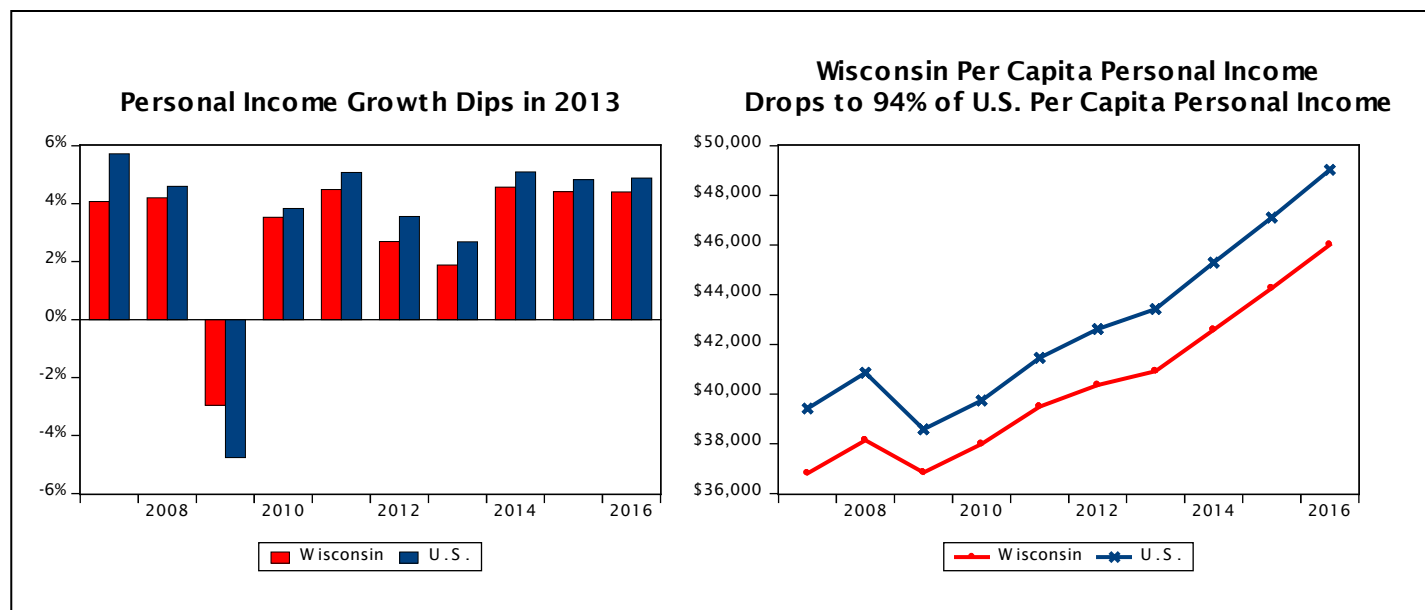
tinued rise in the number of existing homes sold.

The budding housing recovery is evident in Wisconsin. **Building permits** in the state increased 10.6% in 2012. In the forecast, this growth will accelerate, with housing permits increasing over 20% in 2013, 2014, and 2015, and then slowing to 4.3% in 2016. At the end of the forecast period, however, housing permits in Wisconsin will be slightly more than half of their 2003 peak.

According to the Wisconsin Realtors Association (WRA), **existing home sales** rose 20.7% in 2012, while the median sales price increased 1.1% to \$133,500. Every region of the state reported double-digit growth, with the largest increases seen in the Central region (+23.1%) and the Southeast region (+22.8%). Growth continued into the first quarter of 2013, with sales increasing 10.8% over the first quarter of 2012 and median prices up 5%.

**Unemployment Rate at the National and State Level Continue to Decline**





## PERSONAL INCOME

Wisconsin personal income rose 2.7% in 2012. This is slower than growth in 2011, when state personal incomes rose 4.5%. Wages and salaries, which are the biggest component of personal income, rose 2.1%. Nationally, personal incomes were up 3.6% in 2012.

Real personal income, which is adjusted for inflation, rose 0.9% in Wisconsin in 2012.

### Income Outlook

Personal income will continue to grow throughout the forecast period, increasing 1.9% in 2013 followed by faster growth in 2014 of 4.6%. After that, personal income will rise 4.4% in 2015 and 2016. Wages and salaries show similar growth. After rising 2.1% in 2012, they will increase 2.7% in 2013 and 4.4% for each of the years 2014, 2015, 2016.

Accounting for inflation, Wisconsin **real personal income** will grow 0.9% in 2013 and 3.1% in 2014, compared to 1.7% and 3.6% increases nationwide, respectively.

**Per capita personal income** in Wisconsin rose 2.2% in 2012 to \$40,458. Wisconsin's per capita personal

income is 94.9% of the national per capita personal income of \$42,619. In the forecast, per capita personal income will continue to rise. Growth is expected at 1.4% in 2013 and 4.0% for the remainder of the forecast period. In 2016, per capita personal income will be at \$46,036 in Wisconsin.

### Personal Income Components

**Wages and salaries** grew 3.7% in Wisconsin in 2011 and 2.1% in 2012. Wages and salaries are the largest component of personal income and account for slightly more than half of total personal income. Wage growth will remain moderate over the coming years, increasing 2.7% in 2013, 4.6% in 2014, and 4.4% in 2015 and 2016.

**Supplements to wages and salaries**<sup>1</sup> account for 13.0% of total personal income in Wisconsin. This component grew 4.7% in 2011 and 2.1% in 2012. In the forecast, growth in supplements to wages and salaries will rise 2.8% in 2013, 4.1% in 2014, and then grow around 5% during the last two years of the forecast period.

<sup>1</sup> This component of personal income consists of employer contributions for employee pension and insurance funds and employer contributions for government social insurance.

**Proprietors' income**, which is 7.6% of total personal income, increased 2.5% in 2012, a slowdown from growth of 20.8% in 2010 and 9.4% in 2011. The forecast expects mild growth of 2.9% of proprietor's income for 2013. Growth accelerates in the last three years of the forecast period, with annual increases averaging 4.6%.

**Interest income** is 6.9% of total personal income. This component fell 1.2% in 2012. This follows very large drops in 2009 (-20.6%) and 2010 (-10.2%) as a result of the Federal Reserve's policy of easing interest rates. Personal interest income will decline again in 2013, before rising in the following three years. In 2014, personal interest income will rise 6.3%, followed by double digit growth rates in 2015 and 2016 as interest rates rise.

**Dividend income** dropped 29.5% in 2009, but has grown since. In 2012 it was 5.6% of total personal income. It rose 11.4% in 2012. The forecast expects dividend income to grow 4.3% in 2013 and 6.4% in 2014.

**Rental income** is 3.6% of total personal income. It has seen very strong growth the last five years, and increased 12.6% in 2012. The forecast calls for another year of strong growth, increasing 13.5% in 2013 and

then slowing to 4.0% in 2014. The last two years of the forecast will see small declines in rental income as the housing market picks up.

**Personal current transfer receipts** are 17.4% of total personal income in Wisconsin. Transfer receipts fell 3.2% in 2011 but then increased 1.6% in 2012. Transfer receipts are expect-

ed to increase throughout the forecast period, starting with a 3.1% increase in 2013 and 5.1% in 2014.

#### **Related Income Measures**

Wisconsin **disposable personal income** (total after-tax income received by persons available for spending or saving) rose 3.3% in 2011 and 1.7% in

2012. Growth slows to 1.2% in 2013 due to the fiscal cliff deal resulting in higher payroll taxes. Stronger personal income growth will yield growth rates of over 4.0% in 2014, 2015, and 2016.

This report was prepared by the  
**Wisconsin Department of Revenue**  
**Division of Research & Policy**

Questions: [doreconomists@revenue.wi.gov](mailto:doreconomists@revenue.wi.gov)

Wisconsin Department of Revenue  
2135 Rimrock Road  
Madison, WI 53713

[www.revenue.wi.gov](http://www.revenue.wi.gov)

**BACKGROUND: U.S. ECONOMY**

IHS Global Insight, Inc (May 2013)

<b>GDP</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Real GDP (\$ Billions, 2005 Dollars)	12,758.0	13,063.0	13,299.1	13,593.2	13,843.4	14,230.9	14,687.9	15,118.4
% Change	-3.1	2.4	1.8	2.2	1.8	2.8	3.2	2.9
GDP (\$ Billions, Current Dollars)	13,973.7	14,498.9	15,075.7	15,684.8	16,212.5	16,975.3	17,784.0	18,593.2
% Change	-2.2	3.8	4.0	4.0	3.4	4.7	4.8	4.5
<b>Employment and Prices</b>								
Payroll Employment (Thousands)	130,859.3	129,911.1	131,499.8	133,737.0	135,771.1	137,877.2	140,435.1	142,932.3
% Change	-4.4	-0.7	1.2	1.7	1.5	1.6	1.9	1.8
Unemployment Rate	9.3	9.6	8.9	8.1	7.6	7.2	6.6	6.1
Consumer Price Index (% Change)	-0.3	1.6	3.1	2.1	1.4	1.6	1.7	1.9
Employment Cost Index (% Change)	1.5	1.9	2.2	1.9	1.9	2.4	2.5	2.8
Industrial Production (% Change)	-11.3	5.7	3.4	3.6	3.1	3.2	3.3	2.8
Retail Gasoline Prices (incl. Taxes, \$/gallon)	2.40	2.84	3.58	3.70	3.44	3.24	3.26	3.34
<b>Financial Markets</b>								
Three Month Treasury Bills (%)	0.15	0.14	0.05	0.09	0.08	0.09	0.19	1.69
30-Year Fixed Mortgage Rate (%)	5.04	4.69	4.46	3.66	3.45	3.83	4.54	5.50
<b>Income and Profits</b>								
Personal Income (\$ Billions)	11,867.0	12,321.9	12,947.3	13,407.2	13,766.8	14,467.6	15,166.2	15,906.7
% Change	-4.8	3.8	5.1	3.6	2.7	5.1	4.8	4.9
Wages & Salaries (\$ Billions)	6,270.4	6,404.6	6,661.3	6,880.7	7,113.0	7,439.7	7,788.9	8,144.5
% Change	-4.3	2.1	4.0	3.3	3.4	4.6	4.7	4.6
Corporate Profits, Before Tax (\$ Billions)	1,342.3	1,702.4	1,827.0	1,950.7	1,966.1	2,047.9	2,094.9	2,102.1
% Change	7.5	26.8	7.3	6.8	0.8	4.2	2.3	0.3

The fundamentals of the U.S. private economy are solid. Growth will reach a 3% pace by the end of the year, with total growth in 2013 coming in at 1.8%.

However, weakness from the federal budget sequester are slowing down government demand for goods and service, putting a drag on the overall economy.

Key assumptions of IHS Global Insight's May 2013 forecast:

- Automatic Spending Cuts: Global Insight assumes the spending cuts from the sequester will continue through September 30th.
- Discretionary Spending: real nondefense federal government spending will decline 3.4% in 2013 and 0.1% in 2014. Meanwhile, real defense spending falls 6.5% in 2013 and 1.1% in 2014.
- Expiring Stimulus: Emergency unemployment insurance benefits were extended for 2013 but will be phased out over several years.
- Oil Prices: modest growth in oil demand will pressure the price of oil, with Brent crude oil averaging \$104/barrel in 2013.
- Federal Reserve: will keep interest rates low until late 2015.
- Euro Expected to Weaken: further declines for the euro expected, depreciating to \$1.22 in June 2014. It is forecasted that Greece will exit the Eurozone around that time.
- Sluggish Global Growth: GDP growth of the U.S.'s major trading partners will weaken to 0.8% in 2013.

## APPENDIX 1

**WISCONSIN EMPLOYMENT FORECAST: INDUSTRY DETAIL**  
(THOUSANDS OF WORKERS)

	History				Forecast			
	2009	2010	2011	2012	2013	2014	2015	2016
Total Nonfarm	2,743.5	2,728.4	2,758.5	2,786.7	2,817.9	2,858.1	2,911.0	2,962.1
% Change	-4.4	-0.5	1.1	1.0	1.1	1.4	1.9	1.8
Private Nonfarm	2,323.1	2,309.4	2,344.1	2,375.3	2,407.6	2,446.6	2,497.3	2,545.4
% Change	-5.1	-0.6	1.5	1.3	1.4	1.6	2.1	1.9
Natural Resources & Mining	3.0	3.0	3.1	3.5	3.7	3.8	4.1	4.3
% Change	-11.1	-1.7	3.7	14.7	4.5	3.9	7.0	5.6
Construction	101.7	94.7	92.8	93.2	96.0	100.3	108.5	115.6
% Change	-14.1	-6.9	-2.0	0.5	2.9	4.5	8.2	6.6
Manufacturing	436.4	430.7	445.0	454.9	461.2	469.7	482.7	492.9
% Change	-11.4	-1.3	3.3	2.2	1.4	1.8	2.8	2.1
Trade, Transportation & Utilities	517.2	508.3	510.7	511.5	510.9	515.2	521.4	529.5
% Change	-4.3	-1.7	0.5	0.2	-0.1	0.8	1.2	1.5
Information	48.0	46.7	46.8	46.2	46.5	46.7	47.6	48.3
% Change	-4.4	-2.7	0.2	-1.2	0.7	0.4	1.8	1.6
Financial Activities	161.3	158.7	160.5	162.6	162.9	163.9	164.5	164.3
% Change	-1.7	-1.6	1.1	1.3	0.2	0.6	0.4	-0.1
Professional & Business Services	258.4	271.6	284.8	289.9	298.2	308.4	320.7	331.0
% Change	-8.2	5.1	4.9	1.8	2.9	3.4	4.0	3.2
Education & Health Services	406.3	407.6	410.8	418.3	422.5	428.6	434.7	444.2
% Change	1.7	0.3	0.8	1.8	1.0	1.4	1.4	2.2
Leisure & Hospitality	252.6	251.4	252.4	257.6	267.8	270.6	273.2	274.7
% Change	-2.6	-0.5	0.4	2.0	4.0	1.1	0.9	0.5
Other Services	138.1	137.0	137.2	137.6	138.0	139.4	140.0	140.5
% Change	-0.7	-0.8	0.2	0.3	0.3	1.0	0.4	0.4
Government	420.4	419.0	414.5	411.4	410.3	411.5	413.7	416.7
% Change	-0.5	-0.3	-1.1	-0.7	-0.3	0.3	0.5	0.7
Federal Government	30.1	31.4	29.4	29.0	28.4	28.3	28.2	28.0
% Change	1.6	4.2	-6.3	-1.4	-2.0	-0.4	-0.4	-0.4
State & Local Government	390.3	387.6	385.1	382.4	381.9	383.2	385.6	388.7
% Change	-0.6	-0.7	-0.7	-0.7	-0.1	0.4	0.6	0.8
Household Survey Employment Measures								
Labor Force	3,117.2	3,080.6	3,063.2	3,051.8	3,063.4	3,083.7	3,104.7	3,125.5
% Change	0.8	-1.2	-0.6	-0.4	0.4	0.7	0.7	0.7
Employment	2,844.6	2,820.6	2,832.3	2,840.7	2,850.6	2,883.7	2,924.1	2,959.7
% Change	-3.3	-0.8	0.4	0.3	0.3	1.2	1.4	1.2
Unemployment Rate (%)	8.8	8.4	7.6	6.9	6.9	6.5	5.8	5.3



## APPENDIX 2

**WISCONSIN EMPLOYMENT FORECAST: INDUSTRY DETAIL**

(THOUSANDS OF WORKERS)

Quarterly Data (Seasonally Adjusted, % Change at an Annual Rate)

	History				Forecast			
	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4	2014:1
Total Nonfarm	2,787.9	2,789.0	2,793.1	2,805.0	2,815.5	2,821.8	2,829.2	2,839.3
% Change	1.6	0.2	0.6	1.7	1.5	0.9	1.1	1.4
Private Nonfarm	2,376.5	2,375.7	2,378.5	2,394.5	2,405.2	2,411.8	2,419.0	2,428.7
% Change	1.0	-0.1	0.5	2.7	1.8	1.1	1.2	1.6
Natural Resources & Mining	3.7	3.5	3.5	3.6	3.6	3.7	3.7	3.7
% Change	35.3	-17.0	-3.8	20.7	0.9	4.6	3.1	3.0
Construction	93.5	91.9	93.2	95.0	95.4	96.3	97.1	98.0
% Change	-2.8	-6.7	5.8	7.8	1.6	4.0	3.4	3.8
Manufacturing	455.7	456.0	454.8	461.0	461.6	460.8	461.3	464.3
% Change	2.5	0.2	-1.0	5.5	0.5	-0.7	0.5	2.6
Trade, Transportation & Utilities	511.4	511.0	511.2	508.9	510.6	511.5	512.7	513.1
% Change	-0.8	-0.3	0.2	-1.8	1.3	0.7	0.9	0.3
Information	46.3	46.5	45.7	46.6	46.4	46.5	46.6	46.7
% Change	-0.6	1.7	-7.0	8.1	-1.3	1.0	0.7	0.9
Financial Activities	162.5	163.0	162.3	162.1	162.8	163.3	163.4	163.5
% Change	-0.5	1.1	-1.5	-0.5	1.6	1.3	0.3	0.1
Professional & Business Services	290.3	289.8	289.9	295.3	298.2	298.5	300.7	303.9
% Change	1.2	-0.7	0.0	7.7	4.1	0.4	2.9	4.4
Education & Health Services	418.0	419.4	420.2	419.9	421.3	423.7	425.1	426.8
% Change	2.4	1.3	0.8	-0.3	1.3	2.3	1.4	1.6
Leisure & Hospitality	257.0	256.8	260.7	265.9	267.1	268.7	269.4	269.6
% Change	2.2	-0.3	6.2	8.1	1.9	2.4	1.0	0.3
Other Services	137.9	137.8	136.9	136.2	138.2	138.7	138.9	139.1
% Change	0.4	-0.3	-2.6	-1.9	5.8	1.5	0.7	0.5
Government	411.4	413.3	414.7	410.5	410.4	410.1	410.3	410.6
% Change	5.3	1.8	1.4	-4.0	-0.1	-0.3	0.2	0.3
Federal Government	29.1	29.0	28.6	28.4	28.4	28.4	28.3	28.3
% Change	0.9	-1.8	-5.0	-2.8	-0.4	-0.4	-0.4	-0.4
State & Local Government	382.3	384.3	386.0	382.0	382.0	381.7	381.9	382.3
% Change	5.7	2.1	1.9	-4.1	-0.1	-0.3	0.3	0.4
Household Survey Employment Measures								
Labor Force	3,053.7	3,046.8	3,047.6	3,056.0	3,055.9	3,063.4	3,069.0	3,074.6
% Change	-0.7	-0.9	0.1	1.1	0.0	1.0	0.7	0.7
Employment	2,840.5	2,834.1	2,841.6	2,840.2	2,846.4	2,853.0	2,860.2	2,870.2
% Change	-0.9	-0.9	1.1	-0.2	0.9	0.9	1.0	1.4
Unemployment Rate (%)	7.0	7.0	6.7	7.1	6.9	6.9	6.8	6.6



## APPENDIX 3

**WISCONSIN INCOME SUMMARY**  
**PERSONAL INCOME BY MAJOR SOURCE**  
(\$ Billions)

	History				Forecast			
	2009	2010	2011	2012	2013	2014	2015	2016
Total Personal Income	208.963	216.339	226.042	232.129	236.500	247.301	258.215	269.579
% Change	-3.0	3.5	4.5	2.7	1.9	4.6	4.4	4.4
Wages and Salaries	111.057	113.147	117.388	119.869	123.080	128.334	134.147	140.005
% Change	-4.6	1.9	3.7	2.1	2.7	4.3	4.5	4.4
Supplements to Wages and Salaries	27.314	28.322	29.665	30.290	31.147	32.433	34.006	35.731
% Change	0.2	3.7	4.7	2.1	2.8	4.1	4.8	5.1
Proprietor's Income	12.960	15.658	17.137	17.570	18.078	18.837	19.780	20.700
% Change	-9.0	20.8	9.4	2.5	2.9	4.2	5.0	4.6
Property Income	32.983	32.912	35.513	37.610	38.836	41.074	43.038	45.360
% Change	-18.2	-0.2	7.9	5.9	3.3	5.8	4.8	5.4
Rental Income	18.297	16.433	16.228	16.035	15.556	16.535	18.349	20.480
% Change	-20.6	-10.2	-1.2	-1.2	-3.0	6.3	11.0	11.6
Personal Dividend Income	9.350	10.079	11.765	13.107	13.671	14.546	14.814	15.280
% Change	-29.5	7.8	16.7	11.4	4.3	6.4	1.8	3.1
Personal Interest Income	5.336	6.400	7.519	8.468	9.609	9.994	9.875	9.600
% Change	33.1	19.9	17.5	12.6	13.5	4.0	-1.2	-2.8
Personal Current Transfer Receipts	39.118	41.186	39.852	40.496	41.748	43.888	45.508	47.072
% Change	22.4	5.3	-3.2	1.6	3.1	5.1	3.7	3.4
Residence Adjustment	3.575	3.584	3.841	4.007	4.183	4.427	4.696	4.971
% Change	-5.5	0.2	7.2	4.3	4.4	5.8	6.1	5.9
Contributions to Government								
Social Ins.	18.043	18.470	17.353	17.714	20.572	21.693	22.959	24.260
% Change	-2.9	2.4	-6.0	2.1	16.1	5.4	5.8	5.7
Related Income Measures								
Real Personal Income (2005 \$)	191.712	194.742	198.655	200.471	202.246	208.515	214.438	220.194
% Change	-3.0	1.6	2.0	0.9	0.9	3.1	2.8	2.7
Real Per Capita Income (2005 \$)	33.8	34.2	34.8	34.9	35.1	36.0	36.8	37.6
% Change	-3.5	1.2	1.7	0.5	0.4	2.6	2.3	2.1
Per Capita Income	37	38	40	40	41	43	44	46
% Change	-3.4	3.1	4.1	2.2	1.4	4.1	3.9	3.8
Personal Tax & Nontax Payments	20.521	20.753	24.077	26.675	28.577	30.623	32.516	34.210
% Change	-19.1	1.1	16.0	10.8	7.1	7.2	6.2	5.2
Disposable Personal Income	188.442	195.586	201.965	205.454	207.924	216.678	225.698	235.369
% Change	-0.8	3.8	3.3	1.7	1.2	4.2	4.2	4.3
GDP	235.681	245.720	254.818	263.863	272.333	283.410	295.059	306.830
% Change	-0.2	4.3	3.7	3.5	3.2	4.1	4.1	4.0
Real GDP (2005 \$)	210.851	219.249	221.741	225.544	229.307	234.567	241.168	247.384
% Change	-3.6	4.0	1.1	1.7	1.7	2.3	2.8	2.6

## APPENDIX 4

**WISCONSIN INCOME SUMMARY**  
**PERSONAL INCOME BY MAJOR SOURCE**

(\$ Billions)

Quarterly Data (Seasonally Adjusted, % Change at an Annual Rate)

	History				Forecast			
	2012:1	2012:2	2012:3	2012:4	2013:1	2013:2	2013:3	2013:4
Total Personal Income	229.964	232.032	231.167	235.353	233.077	235.296	237.521	240.106
% Change	7.0	3.6	-1.5	7.4	-3.8	3.9	3.8	4.4
Wages and Salaries	119.597	120.463	119.201	120.216	121.459	122.477	123.586	124.796
% Change	8.7	2.9	-4.1	3.4	4.2	3.4	3.7	4.0
Supplements to Wages and Salaries	30.200	30.501	30.116	30.344	30.728	31.050	31.282	31.527
% Change	6.6	4.0	-5.0	3.1	5.2	4.3	3.0	3.2
Proprietor's Income	17.436	17.499	17.456	17.890	17.776	18.028	18.164	18.344
% Change	2.0	1.5	-1.0	10.3	-2.5	5.8	3.1	4.0
Property Income	36.472	37.177	37.195	39.597	37.938	38.623	39.074	39.710
% Change	5.5	8.0	0.2	28.4	-15.7	7.4	4.8	6.7
Personal Current Transfer Receipts	39.973	40.248	40.764	40.997	41.378	41.442	41.860	42.313
% Change	6.2	2.8	5.2	2.3	3.8	0.6	4.1	4.4
Residence Adjustment	3.982	3.953	4.036	4.058	4.096	4.156	4.213	4.269
% Change	14.0	-2.9	8.7	2.2	3.8	5.9	5.6	5.4
Contributions to Government								
Social Ins.	17.697	17.809	17.602	17.749	20.299	20.479	20.657	20.853
% Change	9.0	2.6	-4.6	3.4	71.1	3.6	3.5	3.8
Related Income Measures								
Real Personal Income (2005 \$)	199.448	200.901	199.364	202.173	199.766	201.832	202.954	204.433
% Change	4.4	2.9	-3.0	5.8	-4.7	4.2	2.2	2.9